## **Internal Revenue Service**

Number: **INFO 2003-0238** Release Date: 12/31/2003 Index Number: 1362.02-01 Department of the Treasury Washington, DC 20224

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI - GENIN-164282-03

Date:

November 26, 2003

## Dear

We are responding to your correspondence requesting to revoke S corporation status as of the 2001 taxable year. Based on the information submitted, you assert that the Internal Revenue Service accepted your revocation.

Taxpayers are generally prohibited from retroactively revoking S corporation status. Under § 1362(d) of the Internal Revenue Code, an election can be terminated by revocation only if shareholders holding more than one-half of the shares of stock of the corporation on the date on which the revocation is made consent to the revocation. Further, a revocation is made during the taxable year and on or before the 15<sup>th</sup> day of the 3<sup>rd</sup> month is effective on the first day of such taxable year and if made after the 15<sup>th</sup> day of the 3<sup>rd</sup> month, the revocation is effective for the following taxable year. A revocation may specify a prospective date. If the revocation specifies a date for revocation which is on or after the date which the revocation is made, the revocation shall be effective on and after the date so specified.

Your account fails to reflect that a timely revocation for 2001 was received by the IRS. If you can produce either a copy of an IRS revocation acceptance letter or proof (e.g. *Certified Mail* receipt) of timely mailing your request, we can intervene.

Please keep this letter with your tax records and feel free to provide a copy of it to your authorized representative. We hope that the above information proves helpful.

Sincerely yours,

/s/ Dianna K. Miosi

DIANNA K. MIOSI Chief, Branch 1 Associate Chief Counsel